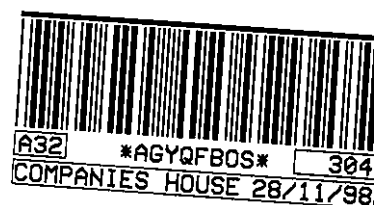


Ashfold School Trust Limited

Abbreviated Financial Statements

31st August 1998

Registered number: 1287451



Wenn Townsend

Chartered Accountants

Oxford

Ashfold School Trust Limited

**Auditors' report to
Ashfold School Trust Limited
under section 247B to the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 4, together with the financial statements of the company for the year ended 31st August 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.

Wenn Townsend

Wenn Townsend

Chartered Accountants and Registered Auditors

Oxford

26th November 1998

Ashfold School Trust Limited

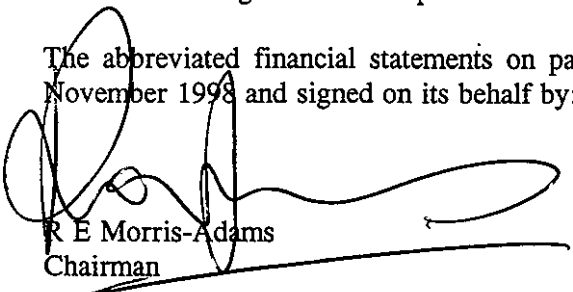
Abbreviated Balance Sheet

31st August 1998

	Note		1997
Fixed assets			
Tangible assets	2	2,100,624	2,018,995
Current assets			
Stocks		2,209	5,522
Debtors		24,816	19,049
Cash at bank and in hand		1,050	677
		<u>28,075</u>	<u>25,248</u>
Creditors: amounts falling due within one year	3	<u>(400,591)</u>	<u>(265,189)</u>
Net current liabilities		<u>(372,516)</u>	<u>(239,941)</u>
Total assets less current liabilities		<u>£ 1,728,108</u>	<u>£ 1,779,054</u>
Capital and reserves			
Revaluation reserve		1,569,320	1,569,320
Other reserves		86,917	86,917
Profit and loss account		71,871	122,817
Total shareholders' funds		<u>£ 1,728,108</u>	<u>£ 1,779,054</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 26th November 1998 and signed on its behalf by:


R E Morris-Adams
Chairman

Ashfold School Trust Limited

Notes on Abbreviated Financial Statements

31st August 1998

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard 1, on the grounds that it qualifies as a small company under the Companies Act 1985.

Incoming resources

Incoming resources represents the amount derived from the provision of goods and services falling within the company's activities in the UK, recognised on an accruals basis.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	nil
Freehold buildings	nil
Furniture and equipment	10-15% Straight line
Vehicles and mowers	20% Straight line
Computers	33 1/3% Straight line

The freehold buildings form an important part of the character of the School and are continually maintained in order that their life is extended indefinitely and therefore a charge to depreciation is not appropriate.

Leases and hire purchase contracts

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Donations

Items donated to the school have not been included in the accounts due to the difficulty of establishing a value. The governors also gratefully acknowledge the significant amount of volunteer time given by the parents committee.

Pensions

Pension costs represent contributions under the DES teachers' superannuation scheme and a defined contribution scheme. Both the DES and the defined contribution scheme's costs are shown in the accounts as charged, the payments being made to external funds.

Ashfold School Trust Limited

Notes on Abbreviated Financial Statements

31st August 1998

2 Fixed assets

	Tangible fixed assets
Cost or valuation	
At 1st September 1997	2,227,649
Additions	88,063
	<hr/>
At 31st August 1998	£ 2,315,712
	<hr/>
Depreciation	
At 1st September 1997	208,654
Charge for year	6,434
	<hr/>
At 31st August 1998	£ 215,088
	<hr/>
Net book value	
At 31st August 1998	£ 2,100,624
	<hr/>
At 1st September 1997	£ 2,018,995
	<hr/>

The amount of land and buildings, included above at a valuation of £2,000,000 determined according to historical cost accounting rules is £430,680. A revaluation was carried out on 24th March 1997 by Savills, International Property Consultants, on an open market value assuming freehold with vacant possession (this valuation is subject to further assumptions and conditions and should not be relied upon without written reference to Savills). Subsequent improvements are included at a cost of £76,459.

3 Creditors: amounts falling due within one year

	<u>1998</u>	<u>1997</u>
Creditors include the following amounts which are secured	£ 146,845	£ 70,060
	<hr/>	<hr/>